BUSINESS

MAKE YOUR BUSINESS GROW. ADVERTISE IN DAWN INDUSTRY SUPPLEMENTS
Call Manager Supplements in Karachi Lahore or Islamabad on UAN: 111-444-777

RAISE YOUR COMPANY'S PROFILE. ADVERTISE IN DAWN COUNTRY SUPPLEMENTS
Call Manager Supplements in Karachi Lahore or Islamabad on UAN: 111-444-777

$600m lost to illegal crypto transactions

• Buyers deposit dollars in FCY accounts, then withdraw to invest in cryptos • Dollar sales to banks drop to $3bn in 10 months

By Shahid Iqbal

KARACHI: The country has lost an estimated $600 million to illegal crypto transactions, a development that has sharply reduced the flow of dollars into the banking system as people buy dollars from exchange companies and route them into cryptocurrencies through unlawful channels.

"Last year, during the first 10 months of the calendar year, we sold banks about $4 billion, which fell to $3 billion during the same period this year. These disappeared dollars were mostly invested in crypto currencies," said Exchange Companies Association of Pakistan Chairman Malik Bostan.

He said people buying dollars from exchange companies are depositing them in their foreign currency (FCY) accounts, from where they withdraw the dollars and purchase cryptocurrencies through illegal means. During Jan-October this year, Pakistanis retained about $400m in their FCY accounts, while $600m left the country with no trace.

The State Bank recently issued a circular instructing both banks and exchange companies not to provide cash dollars; instead, they must transfer the amount directly into the customer's FCY account for deposit purposes.

Exchange companies now either issue cheques or directly transfer funds into customers' FCY accounts. Mr Malik said these deposited dollars are then withdrawn from banks' FCY accounts and invested in cryptocurrencies.

Dollar sales to banks also dropped during the first four months of the current fiscal year, despite tight controls on borders with Afghanistan and Iran. Data shows that exchange companies sold $280m in July this year ($333m in 2024); $163m in August ($295m in 2024); $186m in September ($214m in 2024); and $244m in October ($297m in 2024). Total sales to banks during July-Oct 2024 were $1.139 billion, which fell to $873m in the first four months of 2025 — a decline of 23 per cent.

State Bank data shows that commercial banks' dollar holdings increased from $4.180bn in January 2025 to $4.625bn, an increase of $425m.

The country has faced a serious shortage of dollars for years and was close to default in 2023. After receiving an IMF bailout, the government and the State Bank imposed restrictions on imports to reduce trade and current account deficits, while launching a crackdown on illegal trading and dollar smuggling. Illegal trading is now largely under control, but this new trend of crypto investments could undermine policymakers' efforts to save dollars and reduce reliance on foreign exchange loans.

Meanwhile, the government is preparing to enter the international financial market with new bonds, as well as the Chinese market with Panda Bonds. Currently, the State Bank's foreign exchange reserves stand at about $14.551bn, and the bank expects reserves to reach $17bn by the end of FY26.

Higher remittance inflows have allowed the central bank to make payments for debt servicing and other obligations while still maintaining more than $14.5bn in reserves.

Currency experts believe the IMF will release the expected $1.2 billion, which would further boost the SBP's reserves.

Bitcoin and other crypto assets sink in flight from risk

SINGAPORE: Bitcoin and ether slumped to multi-month lows on Friday, with cryptocurrencies swept up in a broader flight from riskier assets as investors worried about lofty tech valuations and bets on near-term US interest rate cuts faded.

Bitcoin, the world's largest cryptocurrency, fell 5.5 per cent to a seven-month low of $81,668. Ether slid more than 6pc to $2,661.37, its lowest in four months.

Both tokens are down roughly 12pc so far this week. Cryptocurrencies are often viewed as a barometer of risk appetite and their slide highlights how fragile the mood in markets has turned in recent days, with high-flying artificial intelligence stocks tumbling and volatility spiking.

$1.2tr lost in six weeks

"If it's telling a story about risk sentiment as a whole, then things could start to get really, really ugly, and that's the concern now," Tony Sycamore, a market analyst at IG, said of the fall in bitcoin.

About $1.2 trillion has been wiped off the market value of all cryptocurrencies in the past six weeks, according to market tracker CoinGecko.

Prices of Hong Kong-listed spot bitcoin exchange-traded funds launched by China AMC, Harvest and Bosera fell close to 7pc each on Friday.

Bitcoin's slide follows a stellar run this year that propelled it to a record high above $120,000 in October, buoyed by favourable regulatory changes towards crypto assets globally.

But analysts say the market remains scarred by a record single-day slump last month that saw more than $19 billion of positions liquidated. —Reuters

US DOLLAR	BUYING Rs281.29 SELLING Rs281.65	EURO	BUYING Rs324.10 SELLING Rs326.95
GBP	BUYING Rs367.35 SELLING Rs370.90	UAE DIRHAM	BUYING Rs76.62 SELLING Rs77.39
KSA RIYAL	BUYING Rs74.94 SELLING Rs75.52	GOLD	TOLA Rs426,562 10 GMS Rs365,708

ADB plans to inject $10bn in building digitally connected resilient region

IT minister formalises MoUs for investment, digital corridor

By Amin Ahmed

ISLAMABAD: The Asian Development Bank (ADB) has announced plans to invest over $10 billion by 2030 to support projects under the Central Asia Regional Economic Cooperation (CAREC) programme, aiming to build a digitally connected and resilient region.

During the conference in Bishkek on Friday, CAREC ministers announced the endorsement of the 'Bishkek Declaration.' This declaration aims to initiate negotiations focused on trade and investment facilitation. The goal is to reduce trade barriers, enhance investment flows, and promote cooperation in emerging areas such as digital trade and the green economy.

Communication Minister Abdul Aleem Khan represented Pakistan at the ministerial conference.

ADB's investment aims to foster regional connectivity, clean energy, digital transformation, and inclusive infrastructure across the CAREC region. This is connectivity with a purpose, one that makes commerce smoother and more inclusive. These projects will catalyse greater integration, resilience, and shared growth," ADB President Masato Kanda said while addressing the conference.

The CAREC Programme is a partnership of countries and development partners working together to promote sustainable development and economic growth through regional cooperation. Since 2001, the programme has mobilised about $54bn in investments for regional projects.

The ministerial was preceded by the CAREC Business Forum, which brought together about 150 leaders from the private sector, governments, and development partners. The forum explored opportunities for transforming CAREC corridors into engines of economic growth, digital innovation, and climate resilience. The next Ministerial Conference will be held in Mongolia in 2026, marking the 25th anniversary of the CAREC Programme.

ADB is also supporting the CAREC Climate and Sustainability Project Preparatory Fund to help countries design bankable, climate-aligned projects. It is already supporting five regional initiatives, with a new batch to be finalised soon.

"We are also advancing new vehicles like the CAREC Innovation and Venture Investment Facility to nurture a new generation of entrepreneurs and the Borders Upgrades for Integration, Logistics, and Development (BUILD) Facility to streamline border modernisation and logistics," said the ADB president.

He added that these platforms show ADB's value beyond lending. They show we bring ideas, standards, and coalitions that enable countries to move faster together.

CAREC's strength lies in its ability to plan long-term while delivering short-term results. Through the CAREC Digital Corridor, we are helping to build the region's digital backbone, a terrestrial and fiber-optic network that will connect people and markets across borders.

Pakistan inks two MoUs

According to an Associated Press of Pakistan report, IT and Telecommunication Minister Shaza Fatima Khawaja also participated in the Ministerial Conference held under the theme "Green and Digital".

On the margins of the conference, the IT minister formalised two significant memoranda of understanding on behalf of the Government of Pakistan.

The first pertains to the CAREC Innovation and Venture Investment Catalyst (CIVIC) Facility, which seeks to establish a structured, long-term mechanism to nurture and empower a new generation of early-stage venture fund managers across the region.

The second MoU concerns the CAREC Digital Corridor Initiative, which aims to further cross-border digital cooperation, strengthen innovation ecosystems, and facilitate digital trade.

The initiative seeks to provide Central Asian states with an alternative, high-capacity, and resilient internet transit gateway through Pakistan, strengthening regional digital connectivity and building long-term infrastructural resilience.

These agreements represent an important step toward deepening Pakistan's engagement in shared digital priorities and advancing collective progress through strengthened multilateral cooperation.

The CAREC Digital Corridor represents a major step forward for regional connectivity.

For Pakistan, it aligns closely with the Connect Pakistan 2030 Plan, which prioritises inclusive connectivity and an expanded digital economy.

FBR assures Kati of resolving tax issues

By Our Staff Reporter

KARACHI: The Federal Board of Revenue (FBR) will work closely with the Korangi Association of Trade and Industry (Kati) and other trade organisations to identify and register non-filers.

This announcement was made by Ahmed Kamal, Chief Commissioner of the Inland Revenue Service (IRS) at the Medium Taxpayer Office (MTO), during his visit to Kati on Friday.

He informed the industrialists that Ahmed Mukhtar Shahani has been appointed as the focal person at Kati to ensure the prompt resolution of issues within the zone.

The FBR's core mission, he said, is to facilitate compliant taxpayers, not to harass them. He vowed to take stringent action against any FBR officials against whom industrialists lodge direct complaints of corruption or harassment, said a Kati press release.

Mr Kamal stated that tax issues can be successfully resolved through the cooperation of trade associations, whose input is crucial for bringing non-compliant citizens into the tax net. In collaboration with Kati, awareness seminars will be conducted to guide small manufacturers and traders on filing requirements, compliance procedures, and proper documentation, he announced.

He, however, clarified that the FBR is not launching new audit drives but is focused on completing existing, pending audit cases. Kati President Muhammad Ikram Rajput highlighted the escalating seriousness of the digital invoice issue, noting that submissions are incomplete despite the deadline.

ISLAMABAD: Vendors sell vegetables at the country's first designated cashless weekly bazaar on Friday.—Online

Rising food cost fuels short-term inflation

By Mubarak Zeb Khan

ISLAMABAD: Short-term inflation, measured by the Sensitive Price Index (SPI), increased 3.53 per cent year-on-year in the week ending Nov 20, owing to an increase in the retail price of edible oil and sugar in the domestic market.

The SPI-based inflation rate recorded an upward trend for the past 16 consecutive weeks. The increase is mainly driven by a surge in prices of perishable products, including tomatoes, onions, potatoes, wheat flour as well as LPG cylinders.

It, however, increased by 0.07pc from the previous week, official data showed on Friday.

The prices of tomatoes, onions and potatoes saw an increase owing to disruption in supply due to closure of border with Afghanistan.

The extraordinary spike in the retail prices of sugar, and meat also contributed in reversing the trend. The price of meat is steadily on the rise in the past few weeks.

The weekly inflation hit a record 48.35pc year-on-year in early May 2023, but then decelerated as low as 24.4pc in late August 2023 before surging past 40pc during the week ending Nov 16, 2023.

The items whose prices increased the most over the previous week included tomatoes (57.03pc), LPG (5.16pc), garlic (2.61pc), sugar (2.23pc), diesel (2.17pc), georgette (0.80pc), bananas (0.72pc), tea prepared (0.59pc), firewood (0.26pc), vegetable ghee 1kg (0.21pc), beef (0.17pc) and mustard oil (0.13pc).

The items whose prices saw a decline week-on-week included onions (12.38pc), chicken (8.07pc), potatoes (5.69pc), salt powder (1.67pc), pulse moong (1.62pc), wheat flour (1.41pc), pulse gram (0.81pc) and eggs (0.48pc).

However, on an annual basis, the items whose prices increased the most included sugar (43.77pc), gas charges for Q1 (29.85pc), wheat flour (17.31pc), gur (16.35pc), beef (13.45pc), firewood (12.52pc), bananas (11.81pc), diesel (11.66pc), vegetable ghee 2.5kg (9.04pc), lawn printed (8.29pc), powdered milk (8.17pc) and cooking oil 5-litre (7.75pc).

In contrast, the prices of garlic dropped 36.79pc, followed by potatoes (29.56pc), pulse gram (29.26pc), electricity charges for Q1 (26.26pc), tea Lipton (17.79pc), pulse mash (15.28pc), onions (9.97pc), LPG (5.66pc), pulse masoor (5.08pc) and pulse moong (3.42pc).

The index, comprising 51 items collected from 50 markets in 17 cities, is computed weekly to assess the prices of essential commodities and services at shorter intervals. Data showed that the prices of 16 items increased, 13 decreased and those of 22 items remained stable compared to the previous week.

Delhi, Kabul plan air cargo services to boost trade

NEW DELHI: Air cargo services between India and Afghanistan will be launched soon, an Indian foreign ministry official said on Friday, as the two countries seek to reset ties amid soured relations with Pakistan.

The announcement came during a visit to New Delhi by Afghanistan's Taliban Trade Minister Nooruddin Azizi, who has urged India to boost trade and open cargo hubs as Kabul seeks access to grains, medicines and industrial goods following the closure of its border with Pakistan after military clashes.

Kabul's air freight corridors with Delhi and the northern Indian city of Amritsar have been "activated", and cargo flights will operate on the sectors "very soon", said Anand Prakash, a joint secretary in the Indian foreign ministry.

"All formalities from our side are over. We are waiting for all the papers from their (Afghan) side ... Once they complete them, the cargo flights will start," Prakash told *Reuters* on the sidelines of an India-Afghanistan business conference.

Indian airlines do not fly to Afghanistan as Pakistan has shut its airspace for them as tensions between New Delhi and Islamabad soared this year and led to their worst clashes in decades. Afghan carriers have regular passenger connections between Kabul and Delhi.

India and Afghanistan have historically had friendly relations but New Delhi does not recognise the Taliban government, which came to power in Kabul after the withdrawal of US-led Nato forces in 2021.

But they have moved quickly to recalibrate ties in recent months, which experts attribute to souring relations with Pakistan — a buffer between the two countries — and to India's concerns about rival China making inroads in Afghanistan.

Afghan Taliban Foreign Minister Amir Khan Muttaqi visited New Delhi last month in the first such trip to India by a Taliban leader since 2021.

The two countries have upgraded ties since, with India reopening its embassy in Kabul that was shut in 2021.—Reuters

Combine harvester plant

By Our Staff Reporter

LAHORE: China will soon commission a combine harvester manufacturing plant in Punjab, a Chinese delegation said on Friday.

The Chinese team, led by Zaeem Sekho, told Punjab Agriculture Secretary Iftikhar Sahoo during a meeting that the harvester and other high-tech machinery would be manufactured at global standards but tailored to local needs, and these could also be exported after meeting domestic requirements.

The meeting reviewed the performance of various working groups established between the Punjab Agriculture Department and Chinese companies.

Stocks close weekend session on bearish note

By Muhammad Kashif

KARACHI: After an initial extension of the overnight bull run, the stock market witnessed a roller-coaster session on Friday, with the benchmark KSE-100 index trading between intraday lows and highs of 1,083 points and 421 points, respectively.

Despite the absence of any positive triggers, the market started on a firm note as bulls tried to sustain early gains. However, a section of investors indulged in profit-taking in the weekend session, dragging the index to a finish with a loss of 834.01 points (0.51 per cent) at 162,102.92.

According to Topline Securities Ltd, the PSX remained range-bound for most of the trading session, as the index traded between positive and negative territory with low volume; however, pressure was observed in the closing hours.

The top positive contributors to the index were Habib Bank, Bank of Punjab, Fatima Fertiliser, MCB Bank, and Habib Metropolitan Bank Ltd, which together contributed 150 points. On the other hand, Fauji Fertiliser, Pakistan Petroleum, Engro Holdings, and Maple Leaf Cement Factory lost value, weighing down the index by 417 points.

Ali Najib, Deputy Head of Trading at Arif Habib Ltd, said that, as expected, the PSX slipped into the red ahead of roll-over week, approaching from Monday, profit-taking dominated the latter half.

Short-term inflation rose 3.53pc year on year and 0.07pc week on week, adding to investor caution.

Market activity stayed moderate, with 767 million shares traded and turnover touching Rs28.6 billion. WorldCall Telecom continued to dominate the volume board, with 76.7 million shares traded.

Analysts expect the index to consolidate between 157,000 and 164,000. To sustain stability and lay a foundation for a potential rebound, the market should ideally avoid posting a new low in the upcoming week.

PAKISTAN STOCK EXCHANGE

THE TOP FIVERS

GAINERS		LOSERS		LEADERS*	
PIA Holding CoB	140.00	Unilever Foods	531.71	Worldcall Telecom	76.71
Nestle Pakistan	54.33	Supernet Techno	154.51	K-Electric	64.27
Siemens Pakistan	49.99	ZIL Limited	69.74	Bank Makramah	61.37
Shield Corporation	44.88	Ismail Industries	47.26	First Nat'l Equities	48.40
Hafiz Limited	23.88	Pakistan Services	37.73	PIA Holding Co	33.23

(Share values in rupees) * Volume in millions of traded shares

INDICATORS	Friday	Previous		Change
KSE 100-SHARE INDEX (Points)	162,102.92	162,936.94	▼	834.02
KSE 30-SHARE INDEX (Points)	49,178.66	49,445.82	▼	267.16
MARKET CAPITAL (Rs billion)	18,512.957	18,585.377	▼	72.420
TRADING VALUE (Rs billion)	28.644	35.317	▼	6.672

ACTIVITY	
Total listed	532
Active	476
Gainers	145
Losers	289

PARTICIPANTS	
Foreign	▼$0.87m
Companies	▲$0.62m
Banks	▲$2.00m
Mutual Funds	▲$1.42m
Individuals	▼$3.81m